

RESOLUTION OF THE BOSTON REDEVELOPMENT AUTHORITY

RE: FINAL DESIGNATION OF REDEVELOPER

APPROVAL OF FINAL WORKING DRAWINGS AND SPECIFICATIONS

AND PROPOSED DISPOSITION OF PARCEL RD-61

IN THE SOUTH END URBAN RENEWAL AREA, PROJECT NO. MASS. R-56

WHEREAS, the Boston Redevelopment Authority, (hereinafter referred to as the "Authority") has entered into a contract for loan and capital grant with the Federal Government under Title 1 of the Housing Act of 1949, as amended, which contract provides for financial assistance in the hereinafter identified Project; and

WHEREAS, the Urban Renewal Plan for the South End Urban Renewal Area, Project No. Mass. R-56, (hereinafter referred to as the "Project Area"), has been duly reviewed and approved in full compliance with local, State and Federal law; and

WHEREAS, the Authority is cognizant of the conditions that are imposed in the undertaking and carrying out of urban renewal projects with Federal financial assistance under said Title 1, including those prohibiting discrimination because of race, color, sex, religion or national origin; and

WHEREAS, The Ferme Development Company has submitted a satisfactory proposal for the development of Disposition Parcel RD-61 in the South End Urban Renewal Area; and

WHEREAS, the Authority is cognizant of Chapter 30, Sections 61 through 62H of the Massachusetts General Laws, as amended, with respect to minimizing and preventing damage to the environment:

NOW, THEREFORE, BE IT RESOLVED BY THE BOSTON REDEVELOPMENT AUTHORITY:

1. That the Ferme Development Company be and hereby is finally designated as Redeveloper of Parcel RD-61 in the South End Urban Renewal Area.
2. That it is hereby determined that the Ferme Development Company possess the qualifications and financial resources necessary to acquire and develop the land in accordance with the Urban Renewal Plan for the Project Area.
3. That disposal of said Parcel by negotiation is the appropriate method of making the land available for redevelopment.
4. That the Final Working Drawings and Specifications submitted by Ferme Development Company for the development of Parcel RD-61 conforms in all respects to the Urban Renewal Plan for the Project Area, and that said Final Working Drawings and Specifications be and hereby are approved.
5. That it is hereby found and determined that the proposed development will not result in significant damage to or impairment of the environment and further, that all practicable feasible means and measures have been taken and are being utilized to avoid or minimize damage to the environment.

7. That the Secretary is hereby authorized and directed to publish notice of the proposed transaction in accordance with Section 105(E) of the Housing Act of 1949, as amended, including information with respect to the "Redeveloper's Statement of Public Disclosure" (Federal Form H-6004).

Walter Feeme

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Form Approved
OMB No. 53R-0867

PART I - REDEVELOPER'S STATEMENT FOR PUBLIC DISCLOSURE

A. REDEVELOPER AND LAND

1. a. Name of Redeveloper: Walter Feeme DBA Feeme Development Company

b. Address and ZIP Code of Redeveloper: 664 Tremont St., Boston, MA 02118

c. IRS Number of Redeveloper: 033-58-4096

2. The land on which the Redeveloper proposes to enter into a contract for, or understanding with respect to, the purchase or lease of land from:

Boston Redevelopment Authority
(Name of Local Public Agency)

in Parcel RD-61 in South End Urban Renewal
(Name of Urban Renewal or Redevelopment Project Area)

in the City of Boston, State of Massachusetts
is described as follows:²

478 Shawmut Avenue, Boston, MA

3. If the Redeveloper is not an individual doing business under his own name, the Redeveloper has the status indicated below and is organized or operating under the laws of _____:

☐ A corporation.

☐ A nonprofit or charitable institution or corporation.

☐ A partnership known as

☐ A business association or a joint venture known as

☐ A Federal, State, or local government or instrumentality thereof.

☐ Other (explain)

4. If the Redeveloper is not an individual or a government agency or instrumentality, give date of organization:

5. Names, addresses, title of position (if any), and nature and extent of the interest of the officers and principal members, shareholders, and investors of the Redeveloper, other than a government agency or instrumentality, are set forth as follows:

¹ If space on this form is inadequate for any requested information, it should be furnished on an attached page which is referred to under the appropriate numbered item on the form.

² Any convenient means of identifying the land (such as block and lot numbers or street boundaries) is sufficient. A description by metes and bounds or other technical description is acceptable, but not required.

PART I - REDEVELOPER'S STATEMENT FOR PUBLIC DISCLOSURE (Continued)

- a. If the Redeveloper is a corporation, the officers, directors or trustees, and each stockholder owning more than 10% of any class of stock¹. N/A
- b. If the Redeveloper is a nonprofit or charitable institution or corporation, the members who constitute the board of trustees or board of directors or similar governing body. N/A
- c. If the Redeveloper is a partnership, each partner, whether a general or limited partner, and either the percent of interest or a description of the character and extent of interest. N/A
- d. If the Redeveloper is a business association or a joint venture, each participant and either the percent of interest or a description of the character and extent of interest. N/A
- e. If the Redeveloper is some other entity, the officers, the members of the governing body, and each person having an interest of more than 10%.

NAME, ADDRESS, AND ZIP CODEPOSITION TITLE (if any) AND PERCENT OF INTEREST OR
DESCRIPTION OF CHARACTER AND EXTENT OF INTEREST

N/A

6. Name, address, and nature and extent of interest of each person or entity (not named in response to Item 5) who has a beneficial interest in any of the shareholders or investors named in response to Item 5 which gives such person or entity more than a computed 10% interest in the Redeveloper (for example, more than 20% of the stock in a corporation which holds 50% of the stock of the Redeveloper; or more than 50% of the stock in a corporation which holds 20% of the stock of the Redeveloper):

NAME, ADDRESS, AND ZIP CODEDESCRIPTION OF CHARACTER AND EXTENT OF INTEREST

7. Names (if not given above) of officers and directors or trustees of any corporation or firm listed under Item 5 or Item 6 above:

B. RESIDENTIAL REDEVELOPMENT OR REHABILITATION

(The Redeveloper is to furnish the following information, but only if land is to be redeveloped or rehabilitated in whole or in part for residential purposes.)

¹ If a corporation is required to file periodic reports with the Federal Securities and Exchange Commission under Section 13 of the Securities Exchange Act of 1934, so state under this Item 5. In such case, the information referred to in this Item 5 and in Items 6 and 7 is not required to be furnished.

PART I - REDEVELOPER'S STATEMENT FOR PUBLIC DISCLOSURE (Continued)

Form Approved
OMB No. 63R-006

1. State the Redeveloper's estimates, exclusive of payment for the land, for:

- a. Total cost of any residential redevelopment. \$ 752,700
 b. Cost per dwelling unit of any residential redevelopment. \$
 c. Total cost of any residential rehabilitation \$ 75,870
 d. Cost per dwelling unit of any residential rehabilitation \$

2. a. State the Redeveloper's estimate of the average monthly rental (if to be rented) or average sale price (if to be sold) for each type and size of dwelling unit involved in such redevelopment or rehabilitation:

TYPE AND SIZE OF DWELLING UNIT	ESTIMATED AVERAGE MONTHLY RENTAL	ESTIMATED AVERAGE SALE PRICE
4 UNITS SUBSIDIZED:		
i) 2 1 BEDROOMS		\$56,000.00
ii) 2 2 BEDROOMS		\$72,000.00
3 ONE BEDROOMS MARKET RATE		\$110,000.00
3 TWO BEDROOMS MARKET RATE		\$135,000.00

b. State the utilities and parking facilities, if any, included in the foregoing estimates of rentals:

N/A

c. State equipment, such as refrigerators, washing machines, air conditioners, if any, included in the foregoing estimates of sales prices: Refrigerators, dishwasher, garbage disposals, ranges, range hood.

CERTIFICATION

I (We) WALTER FERREcertify that this Redeveloper's Statement for Public Disclosure is true and correct to the best of my (our) knowledge and belief.²Dated: August 6, 1986

Dated: _____

Walter Ferre
Signature_____
Signature_____
Title_____
Title_____
Address and ZIP Code_____
Address and ZIP Code

¹ If the Redeveloper is an individual, this statement should be signed by such individual; if a partnership, by one of the partners; if a corporation or other entity, by one of its chief officers having knowledge of the facts required by this statement.

² Penalty for False Certification: Section 1001, Title 18, of the U.S. Code, provides a fine of not more than \$10,000 or imprisonment of not more than five years, or both, for knowingly and willfully making or using any false writing or document, knowing the same to contain any false, fictitious or fraudulent statement or entry in a matter within the jurisdiction of any Department of the United States.

FERME DEVELOPMENT COMPANY

AN AFFILIATE OF MILANO REALTY CORPORATION

November 3, 1986

RECEIVED

NOV 7 1986

UNIVERSITY
FINANCIAL SERVICES CORPORATION

Mr. Bob McGilvray
Director of Rehabilitation
Boston Redevelopment Authority
Boston City Hall
One City Hall Square
Boston, MA 02201

Dear Bob:

Enclosed, please find a copy of our commitment letter from University Financial Services Corporation for the financing of 478 Shawmut Avenue. Please do not hesitate to contact me if you need additional information for final designation.

Thank you for your attention to the enclosed material.

Sincerely,

Walter Ferme

Enclosure



UNIVERSITY FINANCIAL SERVICES CORPORATION

September 10, 1986

RECEIVED
NOV 17 1986
UNIVERSITY FINANCIAL SERVICES CORPORATION

Walter Ferme
664 Tremont Street
Boston, MA 02118

RE: 478 Shawmut Ave., Boston, MA

Dear Mr. Ferme:

We are pleased to inform you that University Financial Services Corporation (UFSC), the servicer for the lender herein, University Bank and Trust (UBT), has approved a first mortgage loan on the above referenced property, subject to the following terms, conditions, and requirements.

This letter shall serve in a dual capacity as an application, and when accepted by you, as a binding commitment on your part as to the terms herein.

BORROWER: Walter Ferme d/b/a Ferme Development Co.

LOAN AMOUNT: \$760,000

TERM: One ~~(1)~~ year 18 MONTHS FROM DATE OF FINAL DESIGNATION
BY BRA UF

INTEREST RATE: Prime plus two (2%) percent adjustable from time to time, with a floor of the start rate.

AMORTIZATION: Interest only.

ORIGINATION FEE: Two (2%) of the loan amount (\$15,200).

RELEASE FEE: UFSC will receive a release fee of \$2,000 for each of six units sold at market rates with a guaranteed minimum of \$12,000.

GUARANTEE: Mr. Walter Ferme will guarantee the loan in full.

SECURITY: A first mortgage of the land and building, a security interest in all personal property located on and used in connection with the premises and a conditional assignment of rents, issues and profits of the premises.

SPECIAL CONDITIONS:

- 1) \$20,000+ is to be advanced at closing with interest only on funds advanced for a maximum of ~~one (1) year~~. 18 MONTHS.
- 2) \$740,000+ is to be held in due mortgagor, to be advanced as work is performed and materials in place as per plans and estimates (contracts) to be filed with UFSC prior to closing.
- 3) This loan is contingent upon the Borrower's receiving final developer designation from the BRA.
- 4) Loan will be cross collateralized and cross defaulted with current loans held by UFSC.
- 5) Loan is contingent upon the establishment of a commercial checking account at UBT for the cash flow and operations of the premises.
- 6) This loan will be made subject to an appraisal confirming values with a verbal appraisal due prior to closing.
- 7) Advance of said funds is subject to UFSC's review and approval of requisitions for payment, inspection of the premises and verification of costs.
- 8) There shall be a five (5%) percent retainage of "hard costs" to be released upon completion of construction and issuance of a "certificate of occupancy."
- 9) The Bank reserves the right to retain any funds not drawn during the construction period.
- 10) Upon the sale of the proposed condominium units, UFSC will require a principal reduction of the loan balance equivalent to ninety (90%) percent of the gross sales price.
- 11) In addition, the loan will be subject to the general conditions as stated in Exhibit A (attached).

UFSC ATTORNEY:

Daniel Woodyshek, Esq.
 Shocket, Dockser & Assoc.
 One Apple Hill Suite 225
 Natick, MA 01760
 (617) 237-6170

shall be the attorney who will close this loan and certify the title to us at your expense. Should you have any questions concerning this matter, please contact our attorney at once.

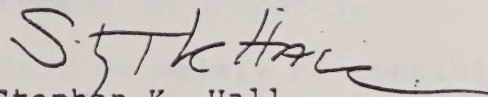
This commitment is issued on the condition that none of UFSC's or UBT's directors, officers, counsel or agents shall be liable personally hereunder for any action hereto. The Borrower upon acceptance hereof, agrees that in the event of a dispute with respect to this commitment or any loan pursuant hereto, the Borrower shall look solely to UFSC for any performance of any obligation, or any other claim.

Please sign, date, and return the original copy of this letter by September 17, 1986 along with a \$3,000 commitment fee. Upon closing of the loan, the entire fee will be applied as a portion of the origination fee, however, if the loan should not close due to any fault of the Borrower, UFSC will retain the entire deposit. If the mortgage is not consummated within forty-five (45) days of the date of this letter, this commitment shall become null and void.

Enclosed please find UFSC's commercial loan application which, due to our auditing requirements, we must have on file for every loan. Please sign and date, where indicated on page 5 of the application and return with the commitment letter.

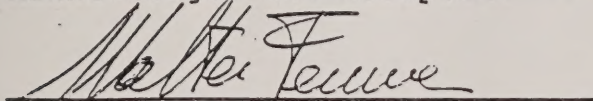
Also enclosed are signature cards which we will use to open an account at UBT. The establishment of a checking account is a requirement of the loan commitment. Please sign and return the signature cards to us along with the application and commitment letter.

Sincerely,



Stephen K. Hall
Vice President

Acknowledged and Accepted:



Walter Ferme

09/26/86
Date

encls.

cc: D. Woodyshek

UNIVERSITY FINANCIAL SERVICES CORPORATION

Initial MF

Date 09/26/86

EXHIBIT A

GENERAL CONDITIONS

1. Late Charge: UFSC at its option may assess a late charge in the amount of five (5) percent on any payment not received within fifteen (15) days of the due date of such payment.

2. Escrow for Taxes: The Borrower shall be required to deposit with UFSC on each interest payment date, one-twelfth of an amount which in UFSC's opinion will be sufficient to pay all municipal charges and assessments applicable to the premises, including without limitation, real estate taxes and betterment assessments.

3. Insurance: The Borrower shall keep the premises and all property covered by the security interest adequately insured with fire and broad form extended coverage insurance policies for 100% of their full replacement value, which in no event shall be less than the amount of the loan unless specifically agreed to in writing by UFSC. The Borrower will deposit with UFSC original policies for such insurance naming UFSC as loss payee under a standard mortgage clause. The insurance shall include coverage for loss of rents on the premises for at least one year in the event of casualty. UFSC reserves the right to request additional insurance coverage including but not limited to flood, earthquake and contingent liability from the operation of any building laws as they may pertain to nonconforming property. All policies shall contain a provision requiring at least 20 days advance notice to UFSC before any policy cancellation or modification.

4. Annual Financial Statements on Borrower(s) and/or Guarantor(s) due 90 days from close of fiscal year inclusive of complete income and expense statement on property.

5. Brokerage: The Borrower shall be solely responsible for any brokerage commission or fee which may be claimed or be payable in connection with the issuance of this commitment or the making of the loan, and the Borrower hereby agrees to indemnify and hold UFSC harmless from and against any such claim.

2 Initial 11/1

Date 09/26/80

6. Liability Insurance: The Borrower shall carry prudent amounts of liability insurance protecting the Borrower and UFSC against any accident or occurrence in or on the premises, and certificates of such insurance shall be furnished to UFSC on demand.

7. Survey: At least 10 days prior to the loan closing, the Borrower shall provide UFSC's attorney with a survey, with a licensed surveyor's or civil engineer's certificate thereon, dated within 30 days prior to such delivery, showing the premises, the dimensions and the area thereof, dimensions and locations of all improvements, utilities, parking areas, drive-ways, easements, the location of any wetlands, zoning district lines, adjoining streets and distance to and name of the nearest intersecting street.

8. Compliance with Zoning and Other Laws: At least 10 days prior to the loan closing, the Borrower shall submit written evidence in form and substance satisfactory to UFSC's counsel that the premises, all improvements thereon and the use thereof, are in complete compliance with all zoning laws, building codes, environmental laws and other laws and regulations applicable to the premises and the use thereof and that all licenses, permits and certificates of occupancy have been issued to permit the lawful use of the premises as contemplated by the Borrower.

9. Damage to Premises: At the closing of the loan, no part of the premises or the improvements thereon shall have been damaged without restoration to UFSC's satisfaction, nor taken in condemnation or other title proceeding, nor shall any such proceeding be pending.

10. Expenses: Whether or not this commitment is terminated for any reason, and whether or not the loan closes, the Borrower agrees to pay for all expenses, fees, and charges in respect of the loan or in any way connected therewith, including, without limiting the foregoing, appraisal fees, legal fees, architects' and engineers' fees, survey costs, brokerage commissions, title costs, recording costs or stamps, or any such customary and reasonable expenses as are normally and reasonably incurred in connection with the processing and/or consummation of the loan.

Date 09/26/86

11. Approvals: UFSC's counsel shall approve each instrument or document required to be furnished by the Borrower pursuant to this commitment. Such approval shall be as to both form and substance, and shall be determined by them in their absolute and sole discretion and judgment.
12. Financial Condition of Borrower: If the premises or the Borrower shall be the subject of any pending or imminent litigation, or if the Borrower shall be the subject of any bankruptcy, reorganization or insolvency adverse change therein between the date of issuance of this commitment and the date of closing, UFSC shall have the right not to close the loan.
13. Opinion: UFSC reserves the right to require an opinion of Borrower's counsel as to the validity and enforceability of UFSC's rights under the loan documents, such opinion to be in the form and substance satisfactory to UFSC's counsel.
14. Transfers of Borrower's Interest: The identity of the Borrower is of material importance to UFSC. This commitment and any collateral for the loan shall not be assigned or transferred by the Borrower, nor may there be any sale or transfer of ownership of any interest in the mortgage or encumbrance on the premises will be allowed without UFSC's prior written consent.
15. Other Documentation: UFSC or its counsel may require further instruments, documents and assurances as may be determined prior to or at the closing.
16. Inspections: UFSC or its authorized agent may inspect the premises during normal business hours during the term of the loan. The services of an outside consulting engineer and/or architect may be employed by UFSC to review estimated construction costs, the plans and specifications and to certify in connection with requested advances that construction is in accordance with the original plans and specifications as approved by UFSC and other persons or entities. He will also certify that construction has reached a stated percentage of completion and to such other matters in connection with the construction as UFSC may require. The cost of retaining such consultant(s) and/or associated internal costs related to said inspections, shall be borne by the Borrower.

4

Initial

Date

09/26/86

17. Participation: UFSC reserves the right to participate with other lending institutions in making this loan.
18. Representations: All representations made by the Borrower to UFSC in the Mortgage Loan application or otherwise with respect to obtaining the loan shall be deemed to be material and relied upon by UFSC in issuing this commitment and shall survive the closing of the loan.
19. Title Insurance: The Borrower agrees to provide UFSC with an ALTA Lenders Title Insurance Policy in form and substance satisfactory to UFSC.
20. Mass General Laws, Chapter 21E (Superfund): The Borrower(s) and/or Guarantor(s) shall submit written evidence in form and substance satisfactory to UFSC and UFSC's attorneys, that no oil or hazardous material, as such terms are defined by Massachusetts General Laws, Chapter 21E, are present on or in the premises and that there is no threat of release of oil or hazardous material on or in the premises.
21. Appraisal: The loan is contingent upon an independent appraisal estimating the fair market value of the security, in form and substance satisfactory to UFSC, being submitted prior to the closing of the loan. The cost for said appraisal is to be borne by the Borrower.

INTER-OFFICE COMMUNICATION

TO KEVIN MORRISON, LEGAL
FROM ROBERT MC GILVRAY, REHAB
DATE OCTOBER 31, 1986
SUBJECT EARLY ENTRY LICENSE - 478 SHAWMUT AVENUE

I have been informed by Mr. Ferme and his contractor, Mike Colarusso, that the cause of complaint has been removed from the property at 478 Shawmut Avenue by Inspector James Kennedy of the Inspectional Services Department.

I tried to contact Mr. Kennedy this morning, but was unable to do so.

It is my opinion that the work to date has satisfied the Inspector's complaint, and that Ferme Development Company has stabilized the structure.

cc: Millett, Faria

INTER-OFFICE COMMUNICATION

TO RICARDO MILLETT
FROM ROBERT MC GILVRAY
DATE NOVEMBER 3, 1986
SUBJECT 478 SHAWMUT AVENUE - PLANS DATED OCTOBER 14, 1986

I have reviewed the plans submitted by The Ferme Development Company for the rehabilitation of 478 Shawmut Avenue, and find them acceptable.

- Tom Maistros has also reviewed and approved the plans.

I will contact the architect on a couple of minor matters, but we may proceed with the final review of construction costs and financing, when they are submitted by Mr. Ferme.

cc: Faria, Maistros, Fong



City of Boston
The Environment
Department

Boston City Hall/Room 805
Boston, Massachusetts 02201
617/725-4416 or 725-3850

17 October 1986

SOUTH END LANDMARK DISTRICT

Mr. Walter Ferme
Ferme Development Company
664 Tremont Street
Boston, Massachusetts 02118

NOTICE OF DECISION
Application #86.81
478 Shawmut Avenue

CERTIFICATE OF DESIGN APPROVAL

Dear Mr. Ferme:

At a meeting held in Boston City Hall on 7 October 1986, the South End Landmark District Commission reviewed and voted to approve your application for a Certificate of Design Approval for the rehabilitation of the existing five story building on this site (as exhibited in an elevation drawing on file dated 7 October 1986) with the understanding that the working drawings shall be submitted for review by commission staff. This work is to include:

1. Reconstruction of the polychrome brickwork on the facade in alternating courses of buff and red brick. Please contact the commission staff to schedule an on-site review of the masonry;
2. Installation of wood-constructed replacement window assemblies in a one-over-one configuration with centered meeting rails;
3. Restoration of the cornice to its original appearance;
4. The splayed keystone lintels shall be reconstructed in precast concrete with a slightly bolder relief than the originals.
5. The door shall be a single leaf panelled door in a Georgian design (not Victorian) framed in a simple wood molding. The commission encouraged the restoration of the original keystone surround which exhibits considerable design coherence to the facade;
6. All roof elements including decks, head house, HVAC and utilities shall be adequately set back so as to cause them to be located out of public view.

In its decision, the commission found that the proposed work would substantially restore the distinctive Florentine Gothic appearance of the building which is representative of turn of the century architectural eclecticism in the district.

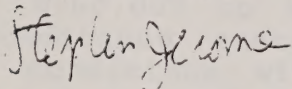
Please provide the commission staff with a set of working drawings and specifications for this work.

Mr. Walter Ferme
17 October 1986
Page Two

This work shall also require a building permit which may be obtained from Inspectional Services Department, 1010 Massachusetts Avenue (442-0046).

Thank you for your cooperation with the commission.

Very sincerely,



Stephen Jerome
Executive Secretary

cc: James Alexander
Architectural Conservation Trust
Boston Redevelopment Authority M. FARIA
Design Partnership
Westbrook Construction

VIA CERTIFIED MAIL

Vote on Application #86.81

Motion by Anderson; Second by Harrell.

Affirmative: Alexander, Anderson, Harrell.

Negative: (None).

MEMORANDUM

TO: Maria Faria
FROM: Ronald Fong
DATE: November 12, 1986
SUBJECT: 478 Shawmut Avenue

RECEIVED

NOV 12 1986

I have reviewed the commitment letter from University Financial Services Corporation (UFSC) for the financing of Walter Ferme's development plans for 478 Shawmut Avenue. UFSC will provide a loan of \$760,000 to Mr. Ferme subject to his fulfillment of several conditions stated within the commitment letter. The terms and conditions within the letter appear reasonable, and Mr. Ferme has acknowledged and accepted them. Mr. Ferme does not need any further financial commitments since the loan amount covers the total development cost that he has submitted.

I would therefore conclude that Mr. Ferme has secured a firm financial commitment for the development of 478 Shawmut Avenue.

cc: Bob McGilvray
Ricardo Millett

RF/rc

FERME DEVELOPMENT COMPANY

AN AFFILIATE OF MILANO REALTY CORPORATION

November 19, 1986

RECEIVED

NOV 19 1986

Mr. Bob McGilvray
Boston Redevelopment Authority
Boston City Hall
One City Hall Square
Boston, MA 02201

Dear Bob:

Per your request, I have provided an amendment to the specification of materials that are going to be used for the rehabilitation of 478 Shawmut Avenue.

As you are aware, our original proposal provided for ceramic tiles in the bathrooms of market rate units and vinyl tiles in the bathrooms of the subsidized units. Additionally, vinyl tiles were to be used in the subsidized kitchens and quarry tile would be used in the market rate kitchens. Following our discussion of November 5, 1986, however, I agree that construction materials should be uniform throughout the building to avoid discrimination. We have, therefore, revised our proposal to include ceramic tiles in all bathrooms and quarry tile in all kitchens.

Regarding your request that the subsidized units have fireplaces, I am sorry to inform you that this is not feasible in three of the four units. The two rear subsidized units were designed to accommodate two bedrooms rather than one. We felt, and Ricardo Millett agreed, that it was more important to maximize bedroom count rather than amenities. The extra partition required for the construction of a second bedroom forced us to scale down the livingroom area and this arrangement discourages any waste of space for the fireplaces. Furthermore, as indicated on the floor plans, the front one bedroom unit on the first floor is not very large and the bedroom takes space away from the livingroom; a fireplace can not successfully be provided in this area. The unit above this, however, which is also a subsidized one bedroom, will have a fireplace.

The cost of adding one fireplace and the other amenities listed above will increase our construction budget by approximately \$10,000.00. The total construction budget is now \$753,000.00.

I hope this information is helpful. Please do not hesitate to contact me if you have any questions.

Sincerely,

Walter Ferme

WF/lc

478 SHAWMUT AVENUE

DEVELOPMENT COST FIGURES

ACQUISITION	\$ 00.00
RENOVATION	753,000.00
NEW CONSTRUCTION	00.00
PARKING	00.00
ARCHITECTURAL FEES	15,000.00
ENGINEERING FEES	5,000.00
POINTS	10,000.00
INTEREST	60,000.00
TAXES	1,200.00
INSURANCE	10,000.00
LEGAL FEES	15,000.00
MISCELLANEOUS	10,000.00
TOTAL COSTS	\$ 879,200.00

November 21, 1986

MARKETING PLAN FOR 478 SHAWMUT AVENUE

FDC has geared a marketing plan for 478 Shawmut Avenue towards reaching residents in the immediate neighborhood who have either been displaced by gentrification or who are threatened by displacement through gentrification. To reach the maximum amount of neighborhood people without discriminating against race, religion or gender, FDC intends to hire an affirmative-action-compliant brokerage house to handle all unit sales.

The selected brokerage house will be paid a 6% commission on all market rate units and will be working with FDC on an exclusive basis. In return for an exclusive, the brokers will identify home owners for the subsidized units. The brokerage house will also be required to place one broker in charge of sales who lives within the neighborhood abutting 478 Shawmut Avenue. FDC will ask brokers to bring people from the neighborhood whose only requirement for qualification will be financial and a positive credit history.

In order to do this, FDC will require the brokerage house to obtain a mailing list from local neighborhood associations including The Four Squares Neighborhood Association, The Four Corners Neighborhood Association, The Worcester Square Area Neighborhood Association and the Franklin/Blackstone Neighborhood Association. Brokers will then send these residents information describing the units, amenities, prices and the income level required for the moderate income units. Heavy advertising will also be required in local, community based newspapers for both English and Spanish speaking people and the South End News will be a primary advertising vehicle. Additionally, during the qualification process, the brokerage house will be working in tandem with a bank that will be able to pre-qualify our buyers.

In addition to the mailing and advertising, FDC and the brokerage house will contact the presidents of all neighborhood associations abutting the Shawmut Avenue area requesting a meeting to present the 478 Shawmut Avenue project to their respective neighborhood groups.

Our marketing program will begin approximately three months after construction begins and will end when construction is complete. We expect that this program will cover approximately 1,000 to 2,000 households in the South End. Out of this number, we should receive applications from approximately 200 people who qualify themselves as \$21,000.00 to \$27,000.00 income households. Of those, some will have to be eliminated due to bad credit histories or large debts. This will narrow our pool of qualified applicants down to about 10% or 20 applicants. The names of the remaining applicants will then be sorted through a lottery system which will be publically advertised in community newspapers and at a public forum, the names of four buyers will be announced.

If the advertising and marketing program fails to produce 20 qualified buyers, FDC will use another form of marketing - traditional city-wide advertising done through the Sunday editions of the Boston Globe and the Herald. Advertising will be done on a weekly basis until 20 qualified buyers are obtained.

Though the lottery system will produce four buyers for the subsidized units, FDC cannot allow these buyers to occupy their units until buyers are found for four of the six market rate units. The reason for this arrangement is that FDC must be able to cover the cost of the bank mortgage of \$850,000.00 and as a condition to the loan, the bank needs to be sure that market rate buyers can be found.

PART II - REDEVELOPER'S STATEMENT OF QUALIFICATIONS AND FINANCIAL RESPONSIBILITY

(For Confidential Official Use of the Local Public Agency and the Department of Housing and Urban Development. Do Not Transmit to HUD Unless Requested or Item 8b is Answered "Yes.")

1. a. Name of Redeveloper: Walker Ferme DBA Ferme Development Co.
- b. Address and ZIP Code of Redeveloper: 664 Tremont Street, Boston, MA 02118
2. The land on which the Redeveloper proposes to enter into a contract for, or understanding with respect to, the purchase or lease of land from

Boston Redevelopment Authority
(Name of Local Public Agency)

in Parcel RD-A1 in the South End Urban Renewal Area
(Name of Urban Renewal or Redevelopment Project Area)

in the City of Boston, State of Massachusetts
is described as follows:

3. Is the Redeveloper a subsidiary of or affiliated with any other corporation or corporations or any other firm or firms? ☐ YES ☒ NO
If Yes, list each such corporation or firm by name and address, specify its relationship to the Redeveloper, and identify the officers and directors or trustees common to the Redeveloper and such other corporation or firm.

4. a. The financial condition of the Redeveloper, as of August 1, 1984, is as reflected in the attached financial statement.

(NOTE: Attach to this statement a certified financial statement showing the assets and the liabilities, including contingent liabilities, fully itemized in accordance with accepted accounting standards and based on a proper audit. If the date of the certified financial statement precedes the date of this submission by more than six months, also attach an interim balance sheet not more than 60 days old.)

- b. Name and address of auditor or public accountant who performed the audit on which said financial statement is based: Lawrence Carlier, CPA

110 The Great Road, Bedford, MA 01730

5. If funds for the development of the land are to be obtained from sources other than the Redeveloper's own funds, a statement of the Redeveloper's plan for financing the acquisition and development of the land:

90% of funds will be provided by a commercial bank
either Liberty Bank & Trust, 7 School St, Boston
or University Bank & Trust, 333 Bay State St, Boston
10% of funds will be provided by redeveloper.

PART II - REDEVELOPER'S STATEMENT OF QUALIFICATIONS AND FINANCIAL RESPONSIBILITY (Continued)

6. Sources and amount of cash available to Redeveloper to meet equity requirements of the proposed undertaking:

a. In banks:

NAME, ADDRESS, AND ZIP CODE OF BANKAMOUNTUniversity Bank & Trust 232 Baylston St.
Chestnut Hill, MA 02167

\$ 70,000.00

Liberty Bank & Trust 7 School St, Boston, 02109

\$ 5,000.00

b. By loans from affiliated or associated corporations or firms:

NAME, ADDRESS, AND ZIP CODE OF SOURCEAMOUNT

N/A

\$

c. By sale of readily salable assets:

DESCRIPTIONMARKET VALUEMORTGAGES OR LIENS

\$

\$

N/A

7. Names and addresses of bank references:

Mr. Steven Hall, Vice President, University Bank & Trust

Mr. William Fitzgerald, President, Liberty Bank & Trust

8. a. Has the Redeveloper or (if any) the parent corporation, or any subsidiary or affiliated corporation of the Redeveloper or said parent corporation, or any of the Redeveloper's officers or principal members, shareholders or investors, or other interested parties (as listed in the responses to Items 5, 6, and 7 of the Redeveloper's Statement for Public Disclosure and referred to herein as "principals of the Redeveloper") been adjudged bankrupt, either voluntary or involuntary, within the past 10 years? ☐ YES ☒ NO

If Yes, give date, place, and under what name.

- b. Has the Redeveloper or anyone referred to above as "principals of the Redeveloper" been indicted for or convicted of any felony within the past 10 years? ☐ YES ☒ NO

If Yes, give for each case (1) date, (2) charge, (3) place, (4) Court, and (5) action taken. Attach any explanation deemed necessary.

9. a. Undertakings, comparable to the proposed redevelopment work, which have been completed by the Redeveloper or any of the principals of the Redeveloper, including identification and brief description of each project and date of completion:

PART II - REDEVELOPER'S STATEMENT OF QUALIFICATIONS AND FINANCIAL RESPONSIBILITY (Continued)

- b. If the Redeveloper or any of the principals of the Redeveloper has ever been an employee, in a supervisory capacity, for construction contractor or builder on undertakings comparable to the proposed redevelopment work, name of such employee, name and address of employer, title of position, and brief description of work:

N/A

10. Other federally aided urban renewal projects under Title I of the Housing Act of 1949, as amended, in which the Redeveloper or any of the principals of the Redeveloper is or has been the redeveloper, or a stockholder, officer, director or trustee, or partner of such a redeveloper:

NONE

11. If the Redeveloper or a parent corporation, a subsidiary, an affiliate, or a principal of the Redeveloper is to participate in the development of the land as a construction contractor or builder:

- a. Name and address of such contractor or builder:

N/A

- b. Has such contractor or builder within the last 10 years ever failed to qualify as a responsible bidder, refused to enter into a contract after an award has been made, or failed to complete a construction or development contract?

☐ YES☐ NO

If Yes, explain:

- c. Total amount of construction or development work performed by such contractor or builder during the last three years: \$ _____

N/A

General description of such work:

- d. Construction contracts or developments now being performed by such contractor or builder:

IDENTIFICATION OF
CONTRACT OR DEVELOPMENTLOCATIONAMOUNT

\$

DATE TO BE
COMPLETED

PART II - REDEVELOPER'S STATEMENT OF QUALIFICATIONS AND FINANCIAL RESPONSIBILITY (Continued)

e. Outstanding construction-contract bids of such contractor or builder:

AWARDING AGENCY

AMOUNT
\$

DATE OPENED

12. Brief statement respecting equipment, experience, financial capacity, and other resources available to such contractor or builder for the performance of the work involved in the redevelopment of the land, specifying particularly the qualifications of the personnel, the nature of the equipment, and the general experience of the contractor:

13. a. Does any member of the governing body of the Local Public Agency to which the accompanying bid or proposal is being made or any officer or employee of the Local Public Agency who exercises any functions or responsibilities in connection with the carrying out of the project under which the land covered by the Redeveloper's proposal is being made available, have any direct or indirect personal interest in the Redeveloper or in the redevelopment or rehabilitation of the property upon the basis of such proposal?

☐ YES ☒ NO

If Yes, explain.

- b. Does any member of the governing body of the locality in which the Urban Renewal Area is situated or any other public official of the locality, who exercises any functions or responsibilities in the review or approval of the carrying out of the project under which the land covered by the Redeveloper's proposal is being made available, have any direct or indirect personal interest in the Redeveloper or in the redevelopment or rehabilitation of the property upon the basis of such proposal?

☐ YES ☒ NO

If Yes, explain.

14. Statements and other evidence of the Redeveloper's qualifications and financial responsibility (other than the financial statement referred to in Item 4a) are attached hereto and hereby made a part hereof as follows:

CERTIFICATION

I (We) WALTER FERME

certify that this Redeveloper's Statement of Qualifications and Financial Responsibility and the attached evidence of the Redeveloper's qualifications and financial responsibility, including financial statements, are true and correct to the best of my (our) knowledge and belief.²

Dated: August 6, 1986

Dated: _____

Walter Ferme
Signature_____
Signature_____
Title_____
Title_____
Address and ZIP Code_____
Address and ZIP Code

- ¹ If the Redeveloper is a corporation, this statement should be signed by the President and Secretary of the corporation; if an individual, by such individual; if a partnership, by one of the partners; if an entity not having a president and secretary, by one of its chief officers having knowledge of the financial status and qualifications of the Redeveloper.
- ² Penalty for False Certification: Section 1001, Title 18, of the U.S. Code, provides a fine of not more than \$10,000 or imprisonment of not more than five years, or both, for knowingly and willfully making or using any false writing or document, knowing the same to contain any false, fictitious or fraudulent statement or entry in a matter within the jurisdiction of any Department

MEMORANDUM

December 3, 1986

TO: BOSTON REDEVELOPMENT AUTHORITY AND STEPHEN COYLE, DIRECTOR

FROM: RICARDO MILLETT, ASSISTANT DIRECTOR FOR NEIGHBORHOOD HOUSING AND DEVELOPMENT, MARIA FARIA, SOUTH END PROJECT COORDINATOR, AND ROBERT MC GILVRAY, CHIEF OF REHAB

SUBJECT: SOUTH END URBAN RENEWAL AREA PROJECT NO. MASS. R-56, FINAL DESIGNATION OF REDEVELOPER OF REUSE PARCEL RD-61, 478 SHAWMUT AVENUE

SUMMARY: THIS MEMORANDUM REQUESTS THAT THE AUTHORITY FINALLY DESIGNATE FERME DEVELOPMENT COMPANY AS REDEVELOPER OF PARCEL RD-61 FOR THE CREATION OF 10 UNITS OF MIXED INCOME HOUSING IN THE SOUTH END URBAN RENEWAL AREA

On September 9, 1986, Ferme Development Company of 664 Tremont Street in the South End, was tentatively designated to develop a vacant, fire-ravaged building at 478 Shawmut Avenue, into ten condominium units, four of which will be sold at prices affordable to moderate income families.

In addition, the Authority voted to grant permission for early entry to the property, to stabilize the structure and to remove the cause of complaint from the City's Inspectional Services Department.

The Ferme Development Company has complied with the terms of the Early Entry License, and has entered the building and performed the necessary cleanout and repair work. The City has withdrawn the violation against the building.

Final working drawings and specifications have been submitted by the developer and have been approved by the staff. The South End Landmarks Commission has reviewed and approved the exterior treatment of the masonry wall. Rehab and development costs have been submitted, as well as a sound financing plan, and these have been reviewed and approved by Authority staff. The rehabilitation cost of \$753,000 includes a sum of \$50,000 already spent by the developer for emergency repairs.

A development and marketing scheme have been presented that will see four of the condominium units sold to qualifying home buyers at \$56,000 each for 2 one bedroom units, and \$72,000 each for 2 two bedroom units. The remaining six units will be sold at estimated market rates of \$120,000 to \$136,000. Should the obtained sales prices exceed those predicted, such that the developer profit is greater than 24% of the total development cost, then 50% of the excess profits will be paid to the Authority.

It is, therefore, recommended that the Ferme Development Company be finally designated as Redeveloper of Parcel RD-61 478 Shawmut Avenue, located in the South End Urban Renewal Area.

An appropriated resolution is attached.

